

sec news digest

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RULES AND RELATED MATTERS

U.S. SECURITIES AND EXCHANGE COMMISSION

AMENDMENTS TO RULES 144 AND 148 ADOPTED;
FURTHER AMENDMENTS PROPOSED

The Commission has announced the adoption of amendments to Rules 144 and 148 under the Securities Act of 1933 which will reduce the burdens imposed by those rules. Specifically, the amendments will: (1) relax the limitations on the amount of securities that can be sold; (2) permit persons selling securities under the rules to deal directly with a market maker in lieu of engaging a broker; and (3) exempt estates and beneficiaries thereof who are not affiliates of the issuer of the securities from the requirement that all sales transactions under the rules be conducted through a broker or directly with a market maker.

With respect to the limits on the amount of securities that can be sold, the Commission has made changes which will have the effect of more than doubling the amount of securities that can be sold under the rules. In its revised form, Rule 144 will now permit the sale during any three-month period of the greater of one percent of the outstanding securities of the class or the average weekly trading volume during the four calendar weeks immediately preceding the sale. A similar change also has been made in Rule 148, although the base upon which the one percent standard will be computed will include, for purposes of that rule, not only the outstanding securities of the class, but also the securities of the class reserved for future issuance in settlement of claims or interests arising out of bankruptcy proceedings. All of the amendments described above will become effective on September 25, 1978. (Rel. 33-5979)

In addition to the above changes, the Commission also announced that it was soliciting public comments on a proposal which would further limit the burdensome effects of Rules 144 and 148. The proposal would permit persons who have held securities covered by either of the rules for a period of five years or more to sell such securities without any amount limitation, provided such persons are not affiliates of the issuer of the securities. All other provisions of the rules, except perhaps for the notice of sale requirement of Rule 144, would continue to apply to such persons under the proposal. Persons who are interested in commenting on the proposal should submit comments in triplicate to George A. Fitzsimmons, Secretary, Washington, D.C. 20549 on or before November 20, 1978 and should refer to File No. S7-755. (Rel. 33-5980)

FOR FURTHER INFORMATION CONTACT: Peter J. Romeo at (202) 755-1240

COURT ENFORCEMENT ACTIONS

THURMOND L. SOWELL AND WILLIAM G. ELMORE ENJOINED

The Atlanta Regional Office and the Miami Branch Office announced that on August 23 the Honorable William G. Stafford, U.S. District Judge for the Northern District of Florida, Tallahassee Division, signed final judgments of permanent injunction enjoining Thurmond L. Sowell and William G. Elmore from violating the antifraud provisions of the securities laws in the securities of The Commonwealth Corporation. The defendants consented to the entry of the judgments without admitting or denying the allegations contained in the Commission's complaint. (SEC v. Bernard Shiell, et al., N.D. Fla., Civil Action No. TCA-76-204). (LR-8540)

INVESTMENT COMPANY ACT RELEASES

A CORPORATE TRUST, SERIES 1

A notice has been issued giving interested persons until October 13 to request a hearing on an application of A Corporate Trust, Series 1 (and Subsequent Series), a registered unit investment trust, and its sponsor, Bear, Stearns & Co., pursuant to Section 6(c) of the Act for an order (1) exempting the Trust from the minimum net capital requirements of Section 14(a) of the Act, (2) exempting the reinvestment plans of the Trust from the pricing requirements of Section 22(d) of the Act, (3) exempting the Trust from the requirements of Rule 19b-1 under the Act with respect to distributions of capital gains, and (4) exempting the Trust from the daily pricing requirements of Rule 22c-1 under the Act. (Rel. IC-10411 - Sept. 19)

INSURED MUNICIPALS-INCOME TRUST

A notice has been issued giving interested persons until October 12 to request a hearing on an application of Insured Municipals-Income Trust and Investors' Corporate-Income Trust, both registered under the Investment Company Act of 1940 as unit investment trusts, their sponsor, Van Kampen Sauerma, Inc. and Dain, Kalman & Quail, Inc., a co-sponsor of one of the trusts, for an order amending an earlier order dated January 31, 1978 (Rel. IC-10109) exempting an exchange offer by the two unit investment trusts from the provisions of Section 22(d) of the Act pursuant to Section 6(c) of the Act, and permitting that exchange offer to be effected on a basis other than the trusts' net asset value per unit at the time of exchange pursuant to Section 11 of the Act. (Rel. IC-10412 - Sept. 19)

BAXTER/TRAVENOL INTERNATIONAL CAPITAL CORPORATION

A notice has been issued giving interested persons until October 12 to request a hearing on an application of Baxter/Travenol International Capital Corporation (Applicant), subsidiary of Baxter Travenol Laboratories, Inc., pursuant to Section 6(c) of the Act and Rule 6c-1(c)(2) thereunder, for an order to permit Applicant to issue additional shares of its convertible preferred stock to be sold outside the United States. (Rel. IC-10413 - Sept. 19)

LISTING, DELISTING AND UNLISTED TRADING ACTIONS

WITHDRAWALS SOUGHT

Notices have been issued giving interested persons until October 17 to comment on the applications requesting withdrawal of the specified securities of the indicated companies from listing and registration on the following exchanges: American Stock Exchange, Inc. - Realty ReFund Trust, shares of beneficial interest. Boston Stock Exchange, Inc. - American Medical Buildings, Inc., common stock, 10¢ par value. (Rel. 34-15165)

SELF-REGULATORY ORGANIZATIONS

NOTICE OF EXTENSION OF PUBLIC COMMENT

The Commission has extended until October 2 the public comment period on a proposed rule change filed by the Chicago Board Options Exchange, Inc. (SR-CBOE-78-23) on August 29 which would authorize the appointment of CBOE employees, called Order Book Officials, to maintain the public limit order books. Publication of the proposals were made in the Federal Register on April 29. (Rel. 34-15173)

NOTICE OF PROPOSED RULE CHANGES

The following have filed proposed rule changes pursuant to Rule 19b-4: The National Association of Securities Dealers, Inc. (SR-NASD-78-11) to provide a refund to NASDAQ subscribers. Publication of the proposal is expected to be made in the Federal Register during the week of September 18. (Rel. 34-15172); The New York Stock Exchange, Inc. (SR-NYSE-78-48) to amend the financing requirements for the purchase of exchange memberships. (Rel. 34-15175) and The Midwest Stock Exchange, Inc. (SR-MSE-78-18) to add Rule 24 to its Article VIII to provide an arbitration forum for the resolution of disputes between MSE members. (Rel. 34-15176)

Publication of the above proposals are expected to be made in the Federal Register during the week of September 25.

SECURITIES ACT REGISTRATIONS

The following registration statements have been filed with the SEC pursuant to the Securities Act of 1933. The information noted below has been taken from the cover page and the facing sheet of the prospectus and registration statement and will appear as follows: Form; Name, address and phone number (if available) of the issuer of the security; Title and the number or face amount of the securities being offered; Name of the managing underwriter (if applicable); Whether the offering is a rights offering; and File number and date filed.

- (S-1) BENJAMIN MOORE & CO., 51 Chestnut Ridge Rd., Montvale, N.J. 07645 - 30,000 shares of common stock. The company is a manufacturer of paints. (File 2-62626 - Sept. 19)
- (S-1) ANECO REINSURANCE COMPANY, LIMITED, Reid House, Church St., Hamilton, Bermuda - 1,700,000 shares of capital shares. Underwriter: John Muir & Co. The company proposes to engage in underwriting international reinsurance. (File 2-62628 - Sept. 19)
- (S-7) COMMONWEALTH EDISON COMPANY, One First National Plaza, P.O. Box 767, Chicago, Ill. 60690 (312) 294-4321 - \$250 million of first mortgage bonds, Series 38, due October 15, 2008. The company is engaged in the production, purchase, transmission, distribution and sale of electricity. (File 2-62632 - Sept. 20)
- (S-1) BANGOR PUNTA CORPORATION, One Greenwich Plaza, Greenwich, Conn. 06830 (203) 622-8100 - \$30 million of subordinated debentures, due 1998. Underwriter: Merrill Lynch White Weld Capital Markets Group. The company is engaged, among other things, in the manufacture and sale of industrial products. (File 2-62633 - Sept. 20)
- (S-8) THE RICHARDSON COMPANY, 2400 East Devon Ave., Des Plaines, Ill. 60018 - 48,625 shares of common shares. (File 2-62634 - Sept. 20)
- In a separate statement the company seeks registration of 31,225 shares of common shares. (File 2-62635 - Sept. 20)
- (S-12) MORGAN GUARANTY TRUST COMPANY OF NEW YORK, 23 Wall St., New York, N.Y. 10015 - 100,000 American Depositary Receipts for ordinary shares of Ladbroke Group Limited. (File 2-62636 - Sept. 20)
- (S-7) FRANKLIN DISCOUNT COMPANY, 213 East Tugalo St., P.O. Box 880, Toccoa, Ga. 30577 (404) 886-2107 - \$8 million of 8% senior demand notes, 2,000,000 of 9% subordinated debentures, due serially 1988-1991, 4,000,000 of 9% 6-year subordinated debentures. The company is engaged in the consumer finance business. (File 2-62638 - Sept. 20)

REGISTRATIONS EFFECTIVE

Sept. 14: Bemis Co. Inc., 2-61796.

Sept. 15: Bank of American National Trust and Savings Association, 2-62158; Cable TV Fund VII, 2-61956; Comcast Corp., 2-62033; Comten, Inc., 2-62295; Crown Industries, Inc., 2-62194; Insured Municipals Income Trust, Series 25, 2-62177; National Central Financial Corp., 2-62290; 727 Aircraft Investors, 2-60024; Search 1978 Drilling Program, 2-62170 (90 days); State Bond and Mortgage Co., 2-61993; Tax-Exempt Municipal Trust Twenty-Fourth National Series, 2-62428; Wallace-Murray Corp., 2-62416.

Sept. 18: First Agribusiness, Inc., 2-59921; Gulf States Utilities Co., 2-62395; Mercantile Texas Corp., 2-62379.

NOTE TO DEALERS. When applicable the 90-day period of time dealers are required to use the prospectus is noted above in parentheses after the name of the issuer. As to the other issuers, there may be no such requirement to use a prospectus, or the requirement may be for a period of only 40 days; see Section 4(3) of the Securities Act of 1933 and Rule 174 (17 CFR 230.174) thereunder.



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NOTICE

Many requests for copies of documents referred to in the SEC News Digest have erroneously been directed to the Government Printing Office. Copies of such documents and of registration statements may be ordered from the Public Reference Section, Securities and Exchange Commission, Washington, D.C. 20549. The reproduction cost is 10c per page plus postage (7 days) (\$3.50 minimum); 20c per page plus postage for expedited service (4 days) (\$5.00 minimum) and 30c per page plus postage for priority service overnight (\$5.00 minimum). Cost estimates are given or request. All other reference material is available in the SEC Docket.

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